



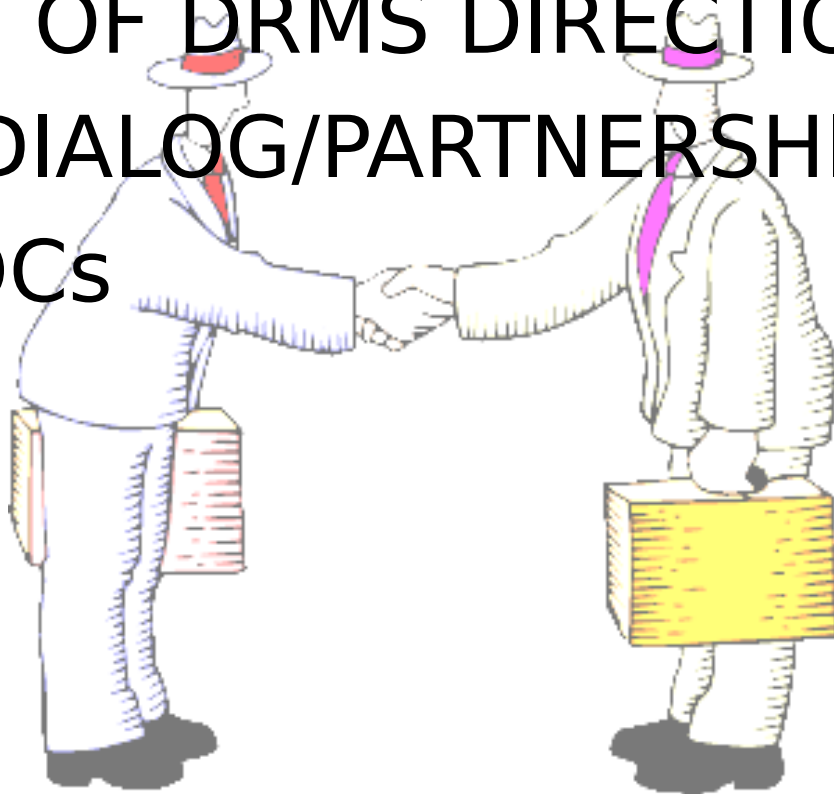
DRMS MOVING FORWARD

**Presented to
DLMSO Supply
Conference
October 17, 2001**



PURPOSE OF VISIT

- INFORMATION EXCHANGE
- DISCUSSION OF DRMS DIRECTION
- ESTABLISH DIALOG/PARTNERSHIP
- IDENTIFY POCS





DEFENSE REUTILIZATION AND MARKETING SERVICE

- **ORGANIZATION:** DRMS IS A PRIMARY LEVEL FIELD ACTIVITY (PLFA) OF THE DEFENSE LOGISTICS AGENCY (DLA)
- **MISSION:** DISPOSITION OF EXCESS DOD PERSONAL PROPERTY.
- **LOCATION-**
 - HQ DRMS IN BATTLE CREEK, MI
 - DRMOS LOCATED WORLDWIDE



WHAT WE DO

REDISTRIBUTE EXCESS PROPERTY

- REUTILIZATION
- TRANSFER
- DONATION
- HUMANITARIAN ASSISTANCE
- FOREIGN MILITARY SALES
- DISASTER RELIEF

PROTECT THE PUBLIC

- DEMILITARIZATION
- AMMUNITION/
EXPLOSIVES AND
OTHER
DANGEROUS
ARTICLES (AEDA)
- ENVIRONMENTAL
 - HAZARDOUS
WASTE DISPOSAL
 - HAZARDOUS

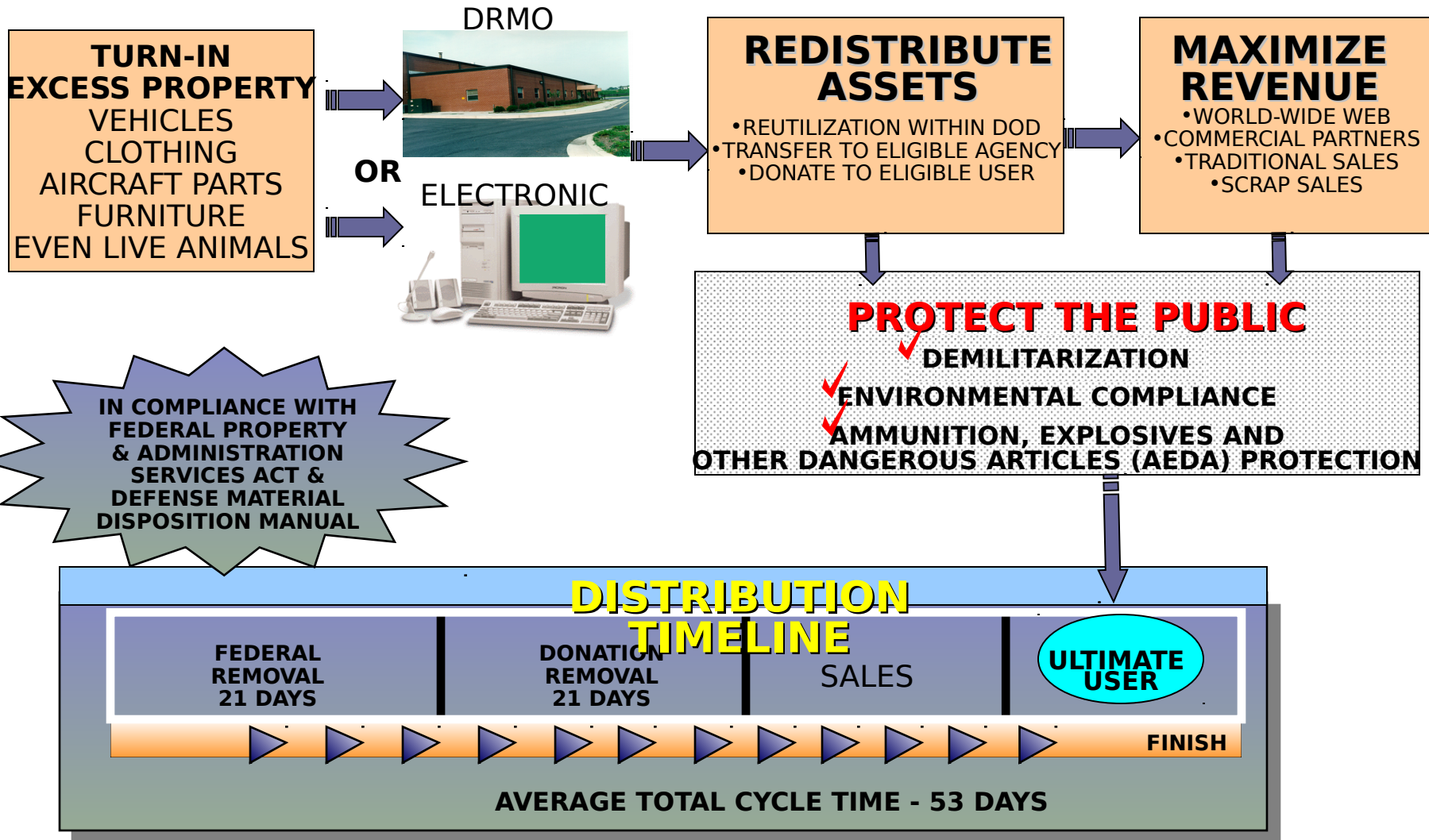
MAXIMIZE SALES REVENUE

- MILITARY UNITS
 - SCRAP
 - EXCHANGE
AND/OR SALE
- WHOLESALE
BUYERS
- PRIVATE CITIZENS

**“DOD’s PROVIDER OF CHOICE
FOR WORLDWIDE REUSE, RECYCLING
AND DISPOSAL SOLUTIONS”**



THE DISPOSAL CYCLE





HOW DRMS HAS CHANGED

1990

1995

1996

2000

FUTURE

| | | | | |
|--|--|---|---|---|
| Five Regional Commands | Four Regions and International Sales Office | Three Regions International Sales Office | Two Secondary Level Commands | Single Command |
| 212 DRMOs | 202 DRMOs | 169 DRMOs | 98 DRMOs | <10 DRMOs |
| Generations Acq. Value \$11B | Generations Acq. Value \$29B | Generations Acq. Value \$23B | Generations Acq. Value \$16.8B | Generations Acq. Value \$17.2B |
| 4500+ FTEs | 3976 FTEs | 3642 FTEs | 2326 FTEs | 1243 FTEs |
| Organic Workforce | Privatization Candidate | Selective Outsourcing | Selective Outsourcing A-76 | Strategic and Competitive Sourcing/A76 3PL |
| Property Physically moved to DRMO | Recycling Control Point Conceptualized | 7% Property Received in Place | 18% Property Received in Place RCP/ETID Deployed | 90% Property Received in Place |
| Limited Inventory Visibility | Limited Inventory Visibility | Web site active- 1.3M hits/mon. -Inventory on-line -bidding on-line -Photos on Web | Web site active- 5.5M hits/mon. -Tailored batch searches | Web site active- 10 M hits/mon. -Tailored batch searches |

Management of Property



Management of Information



HOW WE'RE CHANGING

PAST

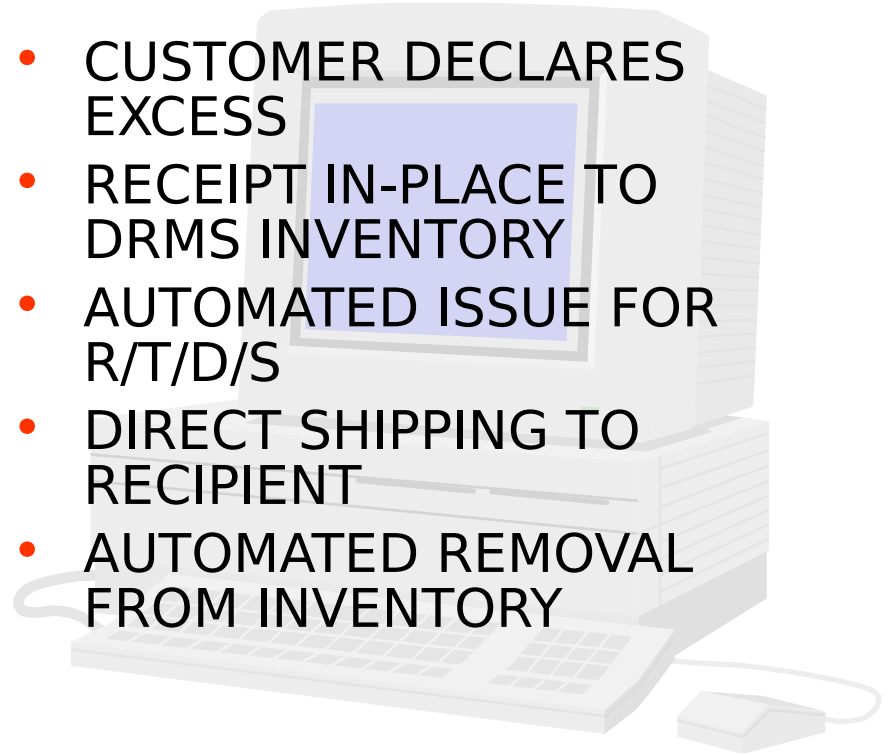
PHYSICAL HANDLING

- CUSTOMER DECLARES EXCESS
- TRANSPORT TO DRMO
- MANUAL INPUT TO DRMO INVENTORY
- PHYSICAL HANDLING FOR R/T/D/S
- CUSTOMER PICK-UP AT DRMO
- MANUAL INPUT TO TAKE OFF RECORD

FUTURE

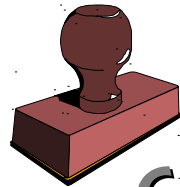
INFORMATION PROCESSING

- CUSTOMER DECLARES EXCESS
- RECEIPT IN-PLACE TO DRMS INVENTORY
- AUTOMATED ISSUE FOR R/T/D/S
- DIRECT SHIPPING TO RECIPIENT
- AUTOMATED REMOVAL FROM INVENTORY





BUSINESS UNIT MAJOR



INITIATIVES

WHAT WE
HAVE DONE

WHAT WE
ARE DOING

YET TO DO

DEMIL

ENVIRONMENTAL

LOGISTICS

R/T/D

SCRAP

USABLE

- CENTRALIZED TO 4 CENTERS

- FORWARD SUPPORT
- INTEGRATED PROCESS TEAMS

- INFRASTRUCTURE REDUCTION
- RCP
- INITIAL A76

- CONNECT ELECTRONICALLY

- OUTSOURCED SCRAP MGMT - GERMANY
- SCRAP PILOT

- COMMERCIAL

- FINALIZE OCONUS

- REDUCE OVERHEAD COSTS

- ELECTRONIC TURN-IN FOR SMALL GENERATORS

- ENCOURAGING ELECTRONIC SCREENING

- SCRAP VENTURE

- PHASE 1

- DIRECT GENERATOR SHIPMENTS

- EFFECTIVE COST/RISK MANAGEMENT

- NEEDS BASED REQUIREMENTS A76

- COMMODITY BASED HANDLING

- ADD'L OVERSEAS OUTSOURCING

- PHASE 2 OVERSEAS



GOALS AND OBJECTIVES

- AUTOMATION OF DECISION PROCESS
- DATA CAPTURE FROM GENERATOR
- THE DIRECT ROUTING OF PROPERTY
- ON-LINE SHOPPING/REQN CAPABILITY
- ENHANCED FINANCIAL CAPABILITIES
- IMPROVE INTRANSIT ACCOUNTABILITY
- BETTER SUPPLY CHAIN INTEGRATION
- PARTNER WITH MILITARY SERVICES



ENABLERS

ACCELERATING THE DISPOSAL PROCESS

- **75% OF PROPERTY PRESOLD**
- **STREAMLINED SCREENING - FOCUSED ON HIGH DEMAND PROPERTY**
- **DECIDING PROPERTY DISPOSITION BY TYPE- NOT INDIVIDUAL LINE ITEM**



MOVING INFORMATION

- **WEB/EMAIL**
- **INTRANSIT CONTROL SYSTEM**
- **RECYCLING CONTROL POINT**
- **ETID**



FACILITATORS

- **SERVICE MANAGERS - FACE TO THE CUSTOMER**
- **DAAS PARTNERSHIP**



STRATEGIC ALLIANCES

NEXT STEP - CONCEPT DEMO:

- **DEVELOPING FUTURE SYSTEMS REQUIREMENTS**
- **DEVELOPING A NON DEPOT RETAIL SUPPLY SYSTEMS SOLUTION**
- **IDENTIFYING POTENTIAL PILOT SITES**
- **REDUCE PAPER - FORM DD-1348**



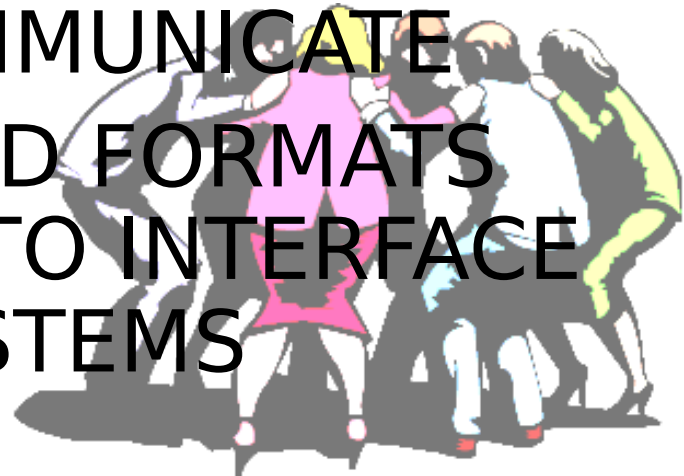
SYSTEM ENHANCEMENTS

- **AUTOMATE THE RECEIVING PROCESS AT THE DRMO**
- **AUTOMATE CONNECTIONS WITH THE TURN-IN GENERATOR**
- **BUILD DRMS INTERFACES**



CONCLUSIONS

- ENSURE RESPECTIVE SYSTEMS DEVELOPMENT COMPATABILITY
- COLLABORATE ON COMMON OBJECTIVES
- CONTINUE TO COMMUNICATE
- USE STANDARDIZED FORMATS WHERE POSSIBLE-TO INTERFACE WITH MILITARY SYSTEMS





POINTS OF CONTACT

Mary Legeret

***mlegeret@mail.drms.dla.
mil***

616-961-7277

DSN 932-7277

George Gray

ggray@mail.drms.dla.mil

616-961-7320

DSN 932-7320

Rod Moskun

***rmoskun@mail.drms.dla.
mil***

616-961-5861

DRMS Website <http://www.drms.dla.mil>